

[CHAPTER 261]

AN ACT

To amend the National Housing Act, and for other purposes.

June 28, 1941

[H. R. 4693]

[Public Law 138]

National Housing
Act, amendments.
53 Stat. 804.
12 U. S. C. § 1703(a).

53 Stat. 804.
12 U. S. C. § 1703 (a).

53 Stat. 804.
12 U. S. C. § 1703 (b).
Financing existing
structures.

New structures.

Maturity limita-
tions.

Proriso.
Refinancing, etc.,
obligations.

49 Stat. 1188.
12 U. S. C. § 1703 (c).

Authority to dispose
of acquired real prop-
erty.

Collection of claims
against mortgagors.

Prorisos.
Minor purchases,
etc.
41 U. S. C. § 5.

Execution of instru-
ments.

Delegation of power.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (a) of section 2 of the National Housing Act, as amended, is hereby amended by striking out "July 1, 1941" and inserting in lieu thereof "July 1, 1943".

SEC. 2. The last sentence of subsection (a) of section 2 of such Act, as amended, is hereby amended by (1) inserting "and other sources" after the word "premiums," and (2) striking out "\$100,000,000" and inserting in lieu thereof "\$165,000,000".

SEC. 3. Subsection (b) of section 2 of such Act, as amended, is hereby amended by (1) striking out "exceeds \$2,500" and inserting in lieu thereof "made for the purpose of financing the alteration, repair, or improvement of existing structures exceeds \$2,500 (or in the case of the alteration, repair, or improvement of an existing dwelling designed or to be designed for more than one family, exceeds \$5,000), or for the purpose of financing the construction of new structures exceeds \$3,000;"; (2) striking out the word "unless" in clause (2) of such subsection and inserting in lieu thereof the following: "where the loan, advance of credit, or purchase does not exceed \$2,500, or has a maturity in excess of five years and thirty-two days, where the loan, advance of credit, or purchase exceeds \$2,500 but does not exceed \$5,000; except that such maturity limitations shall not apply if"; and (3) striking out the period at the end thereof and inserting ": *Provided*, That any obligation with respect to which insurance is granted under this section on or after July 1, 1939, may be refinanced and extended in accordance with such terms and conditions as the Administrator may prescribe, but in no event for an additional amount or term in excess of the maximum provided for in this subsection."

SEC. 4. Subsection (c) of section 2 of such Act, as amended, is hereby amended by (1) inserting after the letter "(c)" the figure "(1)", (2) inserting before the word "property" the word "personal", and (3) adding at the end thereof the following new paragraph:

"(2) The Administrator is authorized and empowered (a) to deal with, complete, rent, renovate, modernize, insure, or sell for cash or credit, in his discretion, and upon such terms and conditions and for such consideration as the Administrator shall determine to be reasonable, any real property conveyed to or otherwise acquired by him in connection with the payment of insurance heretofore or hereafter granted under this title and (b) to pursue to final collection, by way of compromise or otherwise, all claims against mortgagors assigned by mortgagees to the Administrator in connection with such real property by way of deficiency or otherwise: *Provided*, That section 3709 of the Revised Statutes shall not be construed to apply to any contract of hazard insurance or to any purchase or contract for services or supplies on account of such property if the amount thereof does not exceed \$1,000. The power to convey and to execute in the name of the Administrator deeds of conveyance, deeds of release, assignments and satisfactions of mortgages, and any other written instrument relating to real property or any interest therein heretofore or hereafter acquired by the Administrator pursuant to the provisions of this title may be exercised by the Administrator or by any Assistant Administrator appointed by him without the execution of any express delegation of power or power of attorney: *Provided*, That nothing in this paragraph shall be construed to prevent the Adminis-

trator from delegating such power by order or by power of attorney, in his discretion, to any officer or agent he may appoint."

SEC. 5. The last sentence of subsection (f) of section 2 of such Act, as amended, is hereby amended by inserting after the word "charges" the following: "and all moneys collected by the Administrator as fees of any kind in connection with the granting of insurance as provided in this section, and all moneys derived from the sale, collection, disposition, or compromise of any evidence of debt, contract, claim, property, or security assigned to or held by the Administrator as provided in subsection (c) of this section with respect to insurance granted on and after July 1, 1939".

SEC. 6. Effective on July 1, 1941, the first sentence of section 1 of the National Housing Act, as amended, is hereby amended by striking out "\$10,000" and inserting in lieu thereof "\$12,000".

SEC. 7. Title I of such Act, as amended, is hereby amended by adding at the end thereof the following new section:

"SEC. 7. Nothing in this title shall be construed to exempt any real property acquired and held by the Administrator in connection with the payment of insurance heretofore or hereafter granted under this title from taxation by any State or political subdivision thereof, to the same extent, according to its value, as other real property is taxed."

SEC. 8. Subsection (a) of section 203 of such Act, as amended, is hereby amended by (1) striking out "\$3,000,000,000" and inserting in lieu thereof "\$4,000,000,000"; (2) striking out "\$4,000,000,000" and inserting in lieu thereof "\$5,000,000,000"; (3) striking out of the second proviso "the effective date of this amendment and outstanding at any one time, shall not exceed 25 per centum of the total amount of the principal obligations of mortgages with respect to which insurance may be granted under this title after such effective date" and inserting in lieu thereof "June 3, 1939, and outstanding at any one time shall not exceed 35 per centum of the total amount of the principal obligations of mortgages with respect to which insurance may be granted under this title after such date"; and (4) striking out of the third proviso "July 1, 1941" and inserting in lieu thereof "July 1, 1944".

SEC. 9. The last sentence of subsection (a) of section 204 of such Act, as amended, is hereby amended by striking out "July 1, 1941" and inserting in lieu thereof "July 1, 1944".

SEC. 10. The first sentence of subsection (d) of section 512 of such Act, as amended, is hereby amended to read as follows: "No individual, association, partnership, or corporation shall hereafter, while the Federal Housing Administration exists, use the combination of letters 'FHA', the words 'Federal Housing' or 'National Housing', or any combination or variation of such letters or words alone or with other letters or words as the name under which he or it shall do business, for the purpose of trade, or by way of advertisement to induce the sale of any article or product whatsoever, which use shall have the effect of leading the public to believe that any such individual, association, partnership, or corporation, or any article or product so offered for sale, has any connection with, approval of, or authorization from, the Federal Housing Administration, the Government of the United States, or any instrumentality thereof where such connection, approval, or authorization does not, in fact, exist."

Approved, June 28, 1941.

53 Stat. 805.
12 U. S. C. § 1703 (f).

Deposit of collections; use.

Ante, p. 364.

48 Stat. 1246.
12 U. S. C. § 1702.
Administrator's salary.

49 Stat. 1233.

State taxation of real property.

53 Stat. 805.
12 U. S. C. § 1709.
Insurance of mortgages.

Mortgages on existing construction.

Restriction after July 1, 1944.

53 Stat. 806.
12 U. S. C. § 1710.
Foreclosures.

Penalties.
52 Stat. 28.
12 U. S. C. § 1731 (d).
Misuse of certain letters or words.

False advertisements.